REMARKS

Reconsideration and allowance of the subject application are respectfully requested. Claims 13-19, 21, 22 and 30 have been cancelled. Claim 27 has been amended. The basis for the claim amendment may be found throughout the specification, drawings and claims as originally filed. No new matter has been added.

Claim Rejections - 35 USC § 103

Claims 27-31 stand rejected under 35 U.S.C. 103(a) as allegedly being unpatentable over United States Patent No. 4,258,281 issued to Calfo et al. (hereinafter "Calfo") in view of common knowledge in the art. Applicants respectfully traverse these rejections.

Independent claim 27, as amended, recites the following:

- 27. (Amended) A power generator stator assembly comprising:
 - a stator core having a radial inner surface; and
- a flux shunt formed from an electrically resistive, thermally conductive, and magnetically permeable material, the flux shunt having a convex outer surface disposed adjacent to the radial inner surface of the stator core.

In contrast, Calfo discloses flux shunts 51 for a dynamoelectric machine stator that are disposed outside the stator core 3 along the "periphery of the core 3." (column 2, line 52, and Figs. 1, 7, 8, and 10). As such, Calfo does not disclose, teach, or suggest the claimed features of the present invention.

For at least this reason, Applicants respectfully submit that claim 27, as amended, is

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allowable over the prior art of record. Also, claims 28, 29, and 31, which ultimately depend from claim 27, are patentably distinct from Calfo for the same reasons as their ultimate base claim and further in view of the novel features recited therein.

Based on the foregoing, this application is in condition for allowance and a Notice to that effect is earnestly solicited.

Respectfully submitted,

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